

STAT

Washington 25, D. C.  
July 30, 1952

2430 "E" Street, N.W.  
Washington 25, D.C.

I have carefully considered the proposition outlined in your letter of 21 July and feel it indicates a sincere desire on the part of the Central Intelligence Agency to settle the problem of reimbursement in an equitable manner.

As I am sure you can understand, it is almost an impossible task to set a cash valuation on one's notes, syllabi, reading lists, etc. The lectures which I would have delivered to your personnel had the program been carried out as planned would have embodied the fruit of some fifteen years of study and experience in addition to the hours spent in the preparation of these particular lectures. That this was recognized by the CIA was indicated by the expressed intent to reimburse me and my colleagues at a Consultant's fee of \$35. per day, plus travel expenses and \$9. per day living allowance.

In setting a valuation on my course materials -- and I might note at this point that I usually lecture without formal notes -- it seems to me that, in all decency, consideration should be given to the fact that I resigned from [redacted] upon receipt of assurances from the CIA that the program for which it desired my services was a certainty, and then secured a replacement from another university to teach my courses. This step meant that I gave up an assured summer salary of \$1200. in order that I might assist your Agency. I believe the claim may well be put forth that my materials are worth the salary I forfeited at the College.

On the other hand, it might be argued with equal vigor that my preparation for the CIA summer program, involving as it did not only the compilation of the reading syllabus and bibliography (now in your possession), and the preparation of the lectures, but also the many years of study that have preceded the attainment of my present stage of competence, should be viewed as having constituted about 60% of the labor which would have been required of me under my contract with the Agency, and should be reimbursed on a similar basis. This would amount to approximately \$1000. I have incurred in addition travel and cartage expenses of approximately \$115., as noted in my letter of July 7. Figuring in this manner would bring the value of the materials to approximately \$1150.

Again, the value of the articles in question might be calculated on the basis of the number of hours spent in their preparation, multiplied by the rate at which I am paid for such work by the College. I

page 2

should estimate that I devoted approximately four weeks to preparing for the CIA program. During the academic year I would be expected to spend about thirty weeks in such labor, for which I would receive a salary of about \$6000. This comes to \$200. per week of work. On this basis, my materials would warrant a valuation of \$800., plus the afore-cited expenses. This last computation, I might add, does not take into consideration \$275. I have spent to live here in Washington while awaiting some final word from the Agency.

Notwithstanding the fact that any of the above stated sums will leave me far short of the anticipated reimbursement for the full program's work, I should regard any of them as offering a suitable measure of financial satisfaction, and as indicating the good faith and responsibility of the CIA.

It must be pointed out that my loss has been far more than merely financial. There appear to have been two questions involved in the unfortunate situation. One has been the matter of good faith. It would seem to me that regardless of any technical legal points which might be raised, the CIA does have a distinct ethical obligation in the case of myself and my colleagues (for whom, of course, I cannot presume to speak). After all, I did not seek out this Consultanship; rather I was asked to undertake it by the Agency, whose representative made a specific point of assuring me that there was no necessity of waiting for a written contract or letter of appointment; that the work for which my services were desired was certain; and that I need have no fear of any hitches arising. As the ensuing weeks went by and correspondence between the CIA and myself continued, there was not the slightest hint that the promised position, to take which I had in good faith given up an excellent summer position at my College, would not materialize. It was not until I actually reported for duty on the date stipulated by the Agency that I was informed of the cancellation. And of course by that time it was impossible for me to make any other arrangements to salvage something from the summer.

The second question is that of my personal reputation and the correlative position of the [redacted] which I represent. The possibility hinted at by certain Agency personnel that there may be some security question about me, and the impossibility of determining whether such a question has in fact been raised (because of the impenetrable hedge of regulations surrounding the entire area of security clearances) has caused me and my superiors deep concern. This point is particularly important for its possible consequences to my future in my profession and in my position with the [redacted]. Our organization has offered its services as a contract research group to the CIA, among other agencies, and it is obvious that individually and as a group there must be no security doubts about us if we are to be of assistance to the Government in the future. For these reasons it seems to me fair to ask that you give me, or my superiors at the College, an unequivocal statement that the cancellation of the program was not based in any part on security doubts about me.

STAT

STAT

STAT

[Redacted]

Approved For Release 2003/04/22 : CIA-RDP80R01731R001800090032-3

page 3

It has been, in fact, this open question, on which I have been unable to obtain any official and categorical reassurance, that has prompted me to remain here in Washington to press the case. The fact that such assurance would be so simple and easy to give - but has been impossible to attain - has increased my anxiety.

Although I can understand that a large agency, particularly a new one which is pioneering a field, can make legitimate mistakes, I am sure that you, too, can appreciate and understand my determination to see this matter through. I shall remain in Washington until I have heard from you with respect to the above. Mail may be addressed to me here at the [Redacted]

STAT

[Redacted]

STAT

Very sincerely yours

[Redacted Signature]

STAT

Assistant Director

cc: General Walter B. Smith